

35A-4-314 Disclosure of information for debt collection -- Court order -- Procedures -- Use of information restrictions -- Penalties.

- (1) The division shall disclose to a creditor who has obtained judgment against a debtor the name and address of the last known employer of the debtor if:
 - (a) the judgment creditor obtains a court order requiring disclosure of the information as described in Subsection (2); and
 - (b) the judgment creditor completes the requirements described in Subsection (3), including entering into a written agreement with the division.
- (2)
 - (a) A court shall grant an order to disclose the information described in Subsection (1) if, under the applicable Utah Rules of Civil Procedure:
 - (i) the judgment creditor files a motion with the court, which includes a copy of the judgment, and serves a copy of the motion to the judgment debtor and the division;
 - (ii) the judgment debtor and the division have the opportunity to respond to the motion; and
 - (iii) the court denies or overrules any objection to disclosure in the judgment debtor's and the division's response.
 - (b) A court may not grant an order to disclose the information described in Subsection (1), if the court finds that the division has established that disclosure will have a negative effect on:
 - (i) the willingness of employers to report wage and employment information; or
 - (ii) the willingness of individuals to file claims for unemployment benefits.
 - (c) The requirements of Subsection 63G-2-202(7) and Section 63G-2-207 do not apply to information sought through a court order as described in this section.
- (3) If a court order is granted in accordance with this section, a judgment creditor shall:
 - (a) provide to the division a copy of the order requiring the disclosure;
 - (b) enter into a written agreement with the division, in a form approved by the division;
 - (c) pay the division a reasonable fee that reflects the cost for processing the request as established by department rule; and
 - (d) comply with the data safeguard and security measures described in 20 C.F.R. Sec. 603.9 with respect to information received from the division under this section.
- (4) If a judgment creditor complies with Subsection (3), the division shall provide the information to the judgment creditor within 14 business days after the day on which the creditor complies with Subsection (3).
- (5) A judgment creditor may not:
 - (a) use the information obtained under this section for a purpose other than satisfying the judgment between the creditor and debtor; or
 - (b) disclose or share the information with any other person.
- (6) The division may audit a judgment creditor or other party receiving information under this section for compliance with the data safeguard and security measures described in 20 C.F.R. Sec. 603.9.
- (7) If a judgment creditor or other party fails to comply with the data safeguard and security measures under 20 C.F.R. Sec. 603.9, the judgment creditor or other party is subject to a civil penalty of no more than \$10,000 enforceable by the Utah Office of the Attorney General as follows:
 - (a) the attorney general, on the attorney general's own behalf or on behalf of the division, may file an action in district court to enforce the civil penalty; and
 - (b) if the attorney general prevails in enforcing the civil penalty against the judgment creditor or other party:

- (i) the attorney general is entitled to an award for reasonable attorney fees, court costs, and investigative expenses; and
- (ii) the civil penalty shall be deposited into the special administrative expense account described in Subsection 35A-4-506(1).

Enacted by Chapter 473, 2013 General Session